

April 9, 1990

LB 272A  
LR 425

**SPEAKER BARRETT:** Senator Hall, will you handle the resolution, please.

**SENATOR HALL:** Thank you, Mr. President, members the resolution was offered on behalf of the issue that was in LB 272A, the Commonwealth distribution and the Commonwealth, American Savings and State Securities. After the bill was passed, there was questions raised by the Banking Director, Cynthia Milligan, with regard to what the legislative intent, through the language that was in the bill, with regard to the distribution. It was always my intent, and I think member's of the body's intent when I went back and looked through the transcript that this money be distributed equally in terms of one-half of what was due to each of those...owed to each of those depositors, that it be distributed in that manner since we appropriated one-half of the money. I think that is a fair interpretation of the language of LB 272A. The Director of Banking felt that there was possibly another interpretation of that language. The reason for the introduction of the resolution is to just help clarify and guide the director with regard to disbursement of those monies to the depositors. That's my reason for introducing the resolution. I think that there were at least 10 Omaha area senators who supported the resolution. I think many of them supported it because of the fact that it dealt with Commonwealth, because it dealt with State Securities, but also because it dealt with American Savings. And I would not want to go away from the 60-day session without clearly spelling out that that was part of, at least, my intent, although I would have supported the issue and have in the past prior to the bringing in of State Securities and American Savings. The way I understood the proposal that we passed the 16 odd million dollars was that it included all three institutions and that they would all benefit their depositors to one-half of their loss that was due and owed at present. That was my understanding. That's my reason for being a part of bringing in this resolution. With that, I would yield the balance of my time to Senator Landis.

**SPEAKER BARRETT:** Senator Landis, about two and a half minutes.

**SENATOR LANDIS:** Mr. Speaker and members of the Legislature, LB 272A allows for the Banking Director to distribute the money in a fair and equitable manner and I think the language of this resolution, consistent with what Senator Hall just said, represents such an equitable form of distribution and I would